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Office of Campaign and Political Finance

One Ashburton Place, Room 411

Boston, MA 02108

Advisory Opinion

August 2, 2005

AO-05-10

Michael A. Roncolato, Chairman
Westfield Democratic City Committee
P.O. Box 115
Westfield, MA 01086-0115

Re: Participation of City Committee officers in scholarship awards committee

Dear Mr. Roncolato:

This letter is in response to your request for an opinion regarding the involvement of local party committee members in the selection of recipients of committee scholarships. Specifically, you have asked that this office reconsider a 1989 advisory opinion, AO-89-19, in which we stated that officers of a local political party committee could not serve on an awards committee to select recipients of a scholarship awarded by the committee. In addition, the opinion stated that officers of the committee could not be related to the recipient of a scholarship awarded by the committee.¹

QUESTIONS

- (1) May officers of a local party committee be involved in the selection of specific candidates of a scholarship awarded by the committee?
- (2) May officers of a local party committee be related by blood or marriage to the recipient of a scholarship awarded by the committee?

ANSWERS

- (1) Yes. Notwithstanding our earlier advice in AO-89-19, we now believe that selecting the candidates or recipients of an award would not violate the campaign finance law.
- (2) No. As indicated in AO-89-19, such a relationship would not comply with OCPF's regulations governing charitable expenditures by political committees.

¹ The office provided the same advice in AO-89-13.

DISCUSSION

The campaign finance law prohibits the expenditure of campaign funds for any person's personal use. *See* M.G.L. c. 55, § 6. The regulations cited in AO-89-19, which were issued pursuant to Section 6, remain in effect. They do not specifically address the award of scholarships by political committees, but they do address the making of gifts and charitable contributions. The regulations state that charitable contributions or gifts may not be made if the recipient is related to an officer of the committee making the contribution or gift.

The regulations state, in relevant part, that charitable contributions may be made to a charitable entity by a local party committee only if "neither the candidate, treasurer, nor any official of the political committee is related by consanguinity or affinity to any trustee, officer, principal, or beneficiary of said entity." *See* 970 CMR 2.06(3)(a)3.² Another regulation states that gifts may be given if "the treasurer of the political committee has no personal relationship with the individual [receiving the gift] or his family." *See* 970 CMR 2.06(3)(b)2. Therefore, as stated in AO-89-19, an officer of a political committee that makes a scholarship award may not be related by blood or marriage to the recipient of an award.

On the other hand, nothing in the campaign finance law or regulations prohibits officers of a committee from serving on the awards committee that determines the recipients of such a scholarship award. The regulation governing charitable contributions provides a list of requirements designed to ensure that charitable contributions by political committees are *bona fide*, *i.e.*, consistent with Section 6. The regulation states that a political committee may make a charitable contribution to a charitable entity if "neither the candidate, treasurer, principal or beneficiary are involved in any manner in the operations of said entity." *See* 970 CMR 2.06(3)(a)2. This regulation means that an officer of the political party committee making a charitable contribution may not be involved in the operations of a separate charitable entity receiving the contribution. It does not mean that an officer of the party committee is barred from involvement in the operations of an awards committee, which operates as a part of the city committee. To the extent that AO-89-19 and AO-89-13 stated otherwise, such guidance was overly restrictive.

The city committee must ensure that all funds raised and spent to award scholarships are disclosed on campaign finance reports filed with OCPF in accordance with M.G.L. c. 55, § 18. The officers of the city committee may not administer a charitable entity that is distinct from the committee. If officers of the city committee are involved in selecting recipients of scholarship awards, all funds raised and spent must be disclosed in the committee's campaign finance reports as required by M.G.L. c. 55, § 18 and such fund raising activities would be subject to all requirements

² The full text of the regulation provides that charitable contributions may be made to an entity "if all of the following requirements are met: 1. The contribution is made to an entity which is subject to either M.G.L. c. 12, § 8(f), M.G.L. c. 67 or M.G.L. c. 180; 2. Neither the candidate, treasurer, principal or beneficiary are involved in any manner in the operations of said entity; 3. Neither the candidate, treasurer, nor any official of the political committee is related by consanguinity or affinity to any trustee, officer, principal or beneficiary of said entity; 4. Making such charitable contributions is a usual and customary practice of that political committee; [and] 5. The candidate or political committee will receive publicity and foster political goodwill as a result of making the contribution."

of the campaign finance law. *See* AO-94-20 (stating that officers of a political committee may not administer a separate scholarship fund).

This opinion is issued within the context of the Massachusetts campaign finance law and is provided solely on the basis of representations in your letter and in your conversations with OCPF staff. Please contact us if you have further questions.

Sincerely,

A handwritten signature in cursive script, reading "Michael J. Sullivan", followed by a vertical line.

Michael J. Sullivan
Director